

American Electric Power

101A Enterprise Drive
PO Box 5190
Frankfort, KY 40602-5190
www.aep.com



Ms. Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
P. O. Box 615
Frankfort, KY 40602

21 December 2004

RECEIVED

DEC 23 2004

PUBLIC SERVICE
COMMISSION

Dear Ms O'Donnell:

As directed by the Public Service Commission's Order in Case No. 2004-00319 dated April 23, 2004, we are attaching two copies of the Ordinance/Acceptance granting Kentucky Power Company a twenty-year electric franchise in the city of Russell, Greenup County, Kentucky.

If you have any questions, I can be reached at 502/696-7012.

Sincerely,


Judi Willis
Regulatory Consultant

Attachment

Cc: Hon. Mark R. Overstreet, Stites & Harbison (w/a)

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ACCEPTANCE

DEC 23 2004

TO THE MAYOR AND CITY COUNCIL
THE CITY OF RUSSELL, KENTUCKY

PUBLIC SERVICE
COMMISSION

WHEREAS, on the 23rd day of September, 2004, the CITY COUNCIL OF THE CITY
OF RUSSELL, KENTUCKY passed ORDINANCE NO. 17, 2004, entitled:

ORDINANCE NO. 17, 2004

An Ordinance of the City Council of the City of Russell, Kentucky, Granting to Kentucky Power Company, d/b/a American Electric Power, Its Successors and Assigns, a Twenty (20) Year Franchise, Privilege, Right and Authority to Acquire, Maintain, Construct and Operate In, Above, Under, Across and Along the Streets, Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places of the City of Russell, Kentucky, and Its Successors and Assigns, Lines, Poles and Equipment for the Transportation, Transmission and Distribution of Electric Energy to the City of Russell and the Inhabitants Thereof and the Persons and Corporations Beyond the Limits Thereof for Light, Heat, Power and Other Purposes and for the Transmission, Transportation and Distribution of Same Within, Through or Across Said City.

WHEREAS, the undersigned, KENTUCKY POWER COMPANY, (formerly d/b/a American Electric Power), is willing to accept said Ordinance granting said franchise in accordance with the terms and conditions therein set forth.

NOW, THEREFORE, the said KENTUCKY POWER COMPANY, (formerly d/b/a American Electric Power) hereby assents to and accepts the terms and provisions of said Ordinance and agrees to be bound and abide by said terms and provisions as in said Ordinance set forth.

IN WITNESS WHEREOF, said KENTUCKY POWER COMPANY, (formerly d/b/a American Electric Power), a Kentucky corporation, has caused its name to be hereunto affixed by Timothy C. Mosher, its President, its seal to be affixed and the same to be attested by Errol K. Wagner, its Assistant Secretary, on this 11th day of October, 2004.

KENTUCKY POWER COMPANY (formerly d/b/a American Electric Power)

By Timothy C. Mosher
Timothy C. Mosher
President

ATTEST:

Errol K. Wagner
Errol K. Wagner
Assistant Secretary

STATE OF KENTUCKY

COUNTY OF FRANKLIN

I, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Acceptance was this day acknowledged before me by Timothy C. Mosher, its President, and attested by Errol K. Wagner, its Assistant Secretary, to be their free act and deed and the act and deed of Kentucky Power Company (formerly d/b/a American Electric Power), this 11th day of October, 2004.

My commission expires January 8, 2005.

Carolyn S. Payne
Notary Public, State-at-Large, Kentucky

ORDINANCE NO. 17, 2004

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**BE IT ORDAINED BY THE CITY OF RUSSELL, GREENUP COUNTY,
KENTUCKY, AS FOLLOWS:**

SECTION 1. Kentucky Power Company, d/b/a American Electric Power, its successors and assigns, hereinafter called grantee, is granted the franchise, privilege, right and authority to acquire, maintain, construct and operate in, above, under, across and along the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places (as the same now exist or may hereafter be laid out) of the City of Russell, Greenup County, Kentucky, lines, poles and equipment for the transportation, transmission and distribution of electric energy, either by means of overhead or underground conductors, with all the necessary or desirable appurtenances, for the purpose of supplying electric energy to said City and the inhabitants thereof, and persons and corporations beyond the limits thereof, for light, heat, power and any other purpose or purposes for which electric energy is now or may hereafter be used, and for the transmission of the same within, through or across said City.

SECTION 2. Said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places.

SECTION 3. The franchise, privilege, right and authority shall be in full force and effect for a period of twenty (20) years from the date of passage of this Ordinance.

SECTION 4. The grantee of this franchise shall save the City harmless from any and all liability arising in any way from negligence of the grantee in the erection, maintenance or operation of said lines and appurtenances.

SECTION 5. The grantee of this franchise shall have the right and privilege to take up such portion or part of any pavement and make such excavation in the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City of Russell as may be deemed necessary for the construction and maintenance of its lines, wires or cables, but, whenever the grantee of this franchise shall begin the erection of any lines or other equipment, it shall promptly and diligently prosecute the work to completion, and leave the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Wherever in this franchise either the City of Russell or the grantee thereof is referred to, it shall be deemed to include the respective successors and assigns, of either, and all rights, privileges and obligations contained in this franchise shall be binding upon, and inure to the benefit of, the respective successors and assigns, of the City and said grantee, whether so expressed or not.

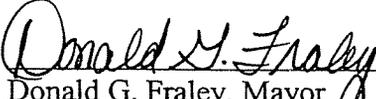
SECTION 7. The grantee of this franchise may make such rules and regulations covering the furnishing of said electric energy as may be fair and reasonable and consistent with the standard practice of the grantee. Said grantee may charge such rates for electric service as shall be fair and reasonable. The said grantee shall render service under said franchise of like quality, that is, adequate, efficient and reasonable, to that now being rendered to said City.

SECTION 8. The consideration paid and agreed to be paid in its bid by the grantee for the franchise, privilege, right and authority provided for herein, shall be complete compensation and consideration for said franchise, privilege, right and authority, and for the use and occupancy of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City, in lieu of any street or alley rental or of any charge for the use or occupancy of said streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of said City, and in lieu of any pole tax or meter tax.

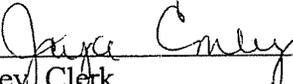
SECTION 9. The Ordinance granting this franchise shall be accepted by the grantee thereof within sixty (60) days from the date of its passage.

SECTION 10. All Ordinances and parts of Ordinances in conflict herewith, to the extent of such conflict only, are hereby repealed.

SECTION 11. This Ordinance shall be in full force and effect upon its passage by the City Commission.


Donald G. Fraley, Mayor

ATTEST:


Joyce Conley, Clerk

Introduction and First Reading: September 20, 2004.

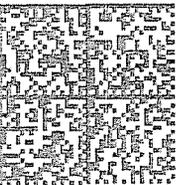
Second Reading: September 23, 2004.

Adopted by the City Council of the City of
Russell, Kentucky

the 23rd day of September, 2004.



A unit of American Electric Power



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PUBLIC SERVICE
COMMISSION



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Elizabeth O'Donnell
Executive Director
Public Service Commission
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Frankfort, KY 40602-0615